## SUMMARY of the Sessions-McCaskill Discretionary Caps Amendment:

- Caps discretionary spending each year through 2014 at the levels outlined in the Fiscal Year 2010 Budget Resolution. The FY2010 Budget Resolution, which Congress passed in April 2009, allows for an average increase of 1.5% per year in overall discretionary spending and an average increase of 1.14% for non-defense discretionary spending
- Specifies spending levels for "defense" and "non-defense" programs consistent with the resolution
- Contains a \$10 billion per year "emergency fund" (also in the Fiscal Year 2010 Budget Resolution)
- Requires a two-thirds vote of 67 Senators to waive the annual caps or emergency spending above \$10 billion
- Does not apply the caps to spending for any military action in which Congress has provided an authorization for the use of force (including Afghanistan and Iraq)
- This approach is substantially similar to what the President has called for
- The amendment has the endorsement of the <u>Concord Coalition</u> and the <u>Committee</u> <u>for a Responsible Federal Budget</u>, among other groups.

## Myth vs. Fact on the Sessions-McCaskill discretionary spending cap amendment:

**Myth:** Sessions-McCaskill would prevent the federal government from responding to emergencies.

**Fact:** Emergency appropriations (beyond the \$10 billion included in the FY2010 Budget Resolution) are not prohibited, they merely require 67 votes. Emergency appropriations for 9/11, the 2004 Tsunami, and Hurricane Katrina all passed with overwhelming support in the Senate (93 votes or more).

<u>Myth</u>: Sessions-McCaskill would prevent Congress from adequately funding the missions in Iraq and Afghanistan.

<u>Fact</u>: The 67 vote threshold would not apply to funding for Iraq, Afghanistan, or the War on Terror. The amendment explicitly states that that the point of order would be waived in the military actions for which there is a Congressional authorization for the use of force.

Myth: Sessions-McCaskill would prevent Congress from caring for Veterans.

Fact: The FY2010 Budget Resolution incorporated significant increases in funding for Veterans (an 11.7% increase for FY10, which built on large increases in FY08 and FY09). Veterans programs have always enjoyed wide support in the Senate; should the need arise to provide substantially increased funding for veterans programs far above current increases, there is a high probability that 67 Senators would vote to provide additional resources. Alternatively, veterans funding could displace lower priority items within the budget caps.

<u>Myth</u>: The sponsors claim they will balance the budget by focusing on non-defense discretionary spending (18% of the federal budget).

First, the amendment caps growth in both defense and non-defense discretionary spending. Second, the sponsors have never claimed this amendment would balance the budget. Much more will need to be done. However, restraining discretionary spending growth is important symbolically, and it will result in real budget savings. The President himself estimates that a three year freeze in discretionary spending not related to defense, veterans, foreign affairs, or homeland security will result in \$250 billion in savings over 10 years.

## See the vote on Sessions-McCaskill.

Other recent pieces of fiscal responsibility legislation that McCaskill cosponsored:

See the vote on the Conrad-Gregg amendment to create a bi-partisan fiscal task force – This amendment would have created a commission consisting of 16 members of Congress (eight from each party) and two members of the Administration which would make legislative recommendations to address the long-term fiscal imbalances. Recommendations would require the approval of 14 of the 18 members. Congress would have to vote on the recommendations before the end of 2010. Three-fifths of the Senate and the House of Representatives would be required to pass the recommendations. You can see the vote online here. You can view a list of co-sponsors online here.

<u>See the vote on the statutory Pay-As-You-Go rule.</u> Statutory Pay-As-You-Go would trigger across-the-board-spending cuts if new increases in direct spending or tax cuts increase the deficit. You can see the vote online <u>here</u>.